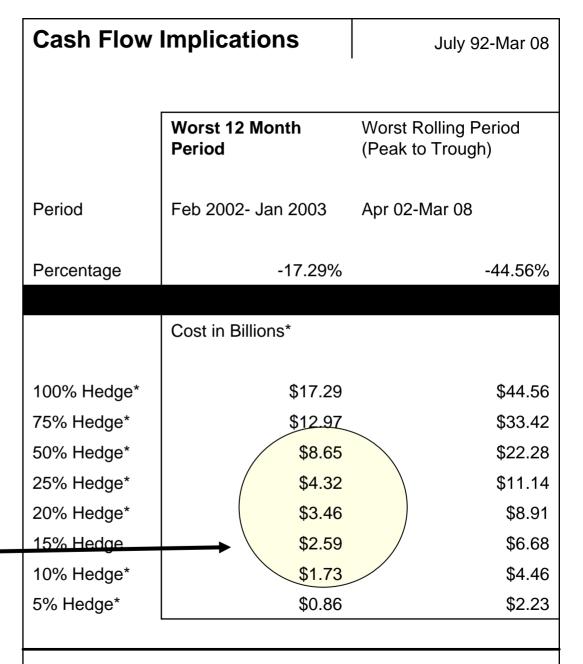
This table is based on the historic record of CalPERS own currency overlay, using dynamic currency weights versus the USD.

With reduced portfolio liquidity and a higher proportion on non USD assets, a full hedge can be very expensive.

This is the <u>"affordable</u> zone"



*Assuming 40% of Assets in International, \$250 billion total assets